CONSEIL DE L'ATLANTIQUE NORD NORTH ATLANTIC COUNCIL

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NATO CONFIDENTIAL DECISION SHEET AC/89-R/59

SUB-COMMITTEE ON SOVIET ECONOMIC POLICY

Meeting held at the Permanent Headquarters, Paris, XVIe. on Monday, 16th November, 1964 at 3.15 p.m.

DECISION SHEET

I. <u>ECONOMIC REVIEW OF INDIVIDUAL EASTERN EUROPEAN COUNTRIES</u>

The SUB-COMMITTEE:

- (1) were informed by the Chairman that:
 - (a) the Secretariat would circulate, as announced(1), a detailed record of the discussion held on 6th November on Rumania, together with a revised background information report based on Working Paper AC/89-WP/133 for their consideration at the next meeting;
 - (b) the contribution of the Italian Delegation on Czechoslovakia, now in course of preparation, would be circulated in December 1964;
 - (c) the United Kingdom Authorities proposed to submit, at the beginning of March 1965, a paper on Hungary and the German Authorities intended to prepare a similar paper on Bulgaria for circulation in May or June 1965;
- (2) decided that the examination session on Poland, on the basis of the French note AC/89-WP/138, be held on 8th January, 1965 at 10,15 a.m. and invited all delegations to participate.
- (3) agreed to hold, at their next meeting, a preliminary discussion on the economic situation in Poland, and noted the Chairman's suggestion that written comments by delegations on the French paper should, to the extent possible, be submitted within a fortnight.

(1) AC/89-R/58

II. <u>COMPARISON OF THE ECONOMIC PERFORMANCE OF THE SOVIET</u> UNION AND THE WESTERN WORLD

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The SUB-COMMITTEE:

noted that a revised text of AC/89-WP/137, to be prepared by the Secretariat in the light of suggestions made by the Drafting Group(1), would be circulated before their next meeting.

III. ECONOMIC POLICY REFORM IN COMMUNIST COUNTRIES

The SUB-COMMITTEE:

- (1) were informed by the United States Representative that a note containing detailed background information on policy reforms in the USSR was being prepared by his Authorities;
- (2) agreed to resume discussion on this subject at one of their future meetings.

IV. WHEAT PURCHASES BY THE COMMUNIST COUNTRIES AND SOVIET GOLD SALES ON FREE WORLD MARKETS

The SUB-COMMITTEE:

- had a preliminary exchange of views, with the participation of Mr. van Wermeskerken (Netherlands Delegation), on a synthesis of the information so far available on this subject, prepared by the Economics Directorate (AC/89-WP/139);
- (2) heard a statement by Mr. van Wermeskerken, quoting widely different estimates from various sources, on the USSR gold production;
- (3) decided to maintain the United States and United Kingdom estimates in AC/89-WP/139, paragraph 10 as the most reliable ones, but agreed to keep this matter under review;
- (4) were informed by Mr. van Wermeskerken that according to the official Soviet data so far available, state purchases of grain might reach an all-time record amounting to 60-62 million tons in 1964;
- (5) noted that the Canadian, United Kingdom and United States Authorities would shortly submit their comments on Working Paper AC/89-WP/139;
- (1) See AC/89-R/57, Item II(2). The Belgian, Canadian, French, German, United Kingdom and United States Delegations have participated in this Group.

(6) noted the following information given by the Canadian Representative referring to a statement made on 26th October, 1964 in the Canadian House of Commons:

> "the Canadian Wheat Board has entered into a contract with the USSR covering the sale for cash of 250,000 long tons of wheat and 25,000 long tons of flour (this amount equals about 10.6 million bushels of wheat); the contract provides for the shipment of the wheat and flour to the USSR or Cuba as did the contract entered into in 1963".

V. <u>CHEMICAL INDUSTRY IN THE USSR</u>

The SUB-COMMITTEE:

agreed to postpone discussion of this item until the comments announced by various delegations on Working Paper AC/89-WP/132 had been received.

VI, COMECON

(i) <u>The Permament Committees and Associated Agencies</u> of <u>COMECON</u>

The SUB-COMMITTEE:

took note of Working Paper AC/89-WP/131 on the commissions and agencies of COMECON by the French Delegation.

(ii) <u>Trade between Communist countries within the</u> <u>COMECON Area</u>

The SUB-COMMITTEE:

noted that the United States Delegation would circulate shortly its comments on Working Paper AC/89-WP/127;

(iii) <u>Relations between Yugoslavia and COMECON</u>

The SUB-COMMITTEE:

agreed to consider this subject at their next meeting on the basis of notes already circulated and additional information to be presented by the French and United States Delegations respectively.

VII. DATE OF NEXT MEETING

Monday, 7th December, 1964 at 3.15 p.m.

OTAN/NATO, Paris, XVIe.